FBIS DAILY REPORT

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GOVERNMENT REPORTEDLY NOT SATISFIED WITH CHILEAN PROPOSAL

PY210213Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 0155 GMT 21 Dec 78 PY

[Text] Buenos Aires, 20 Dec (NA)--An unofficial spokesman of the Foreign Ministry stated a few minutes ago that the note submitted today by the Chilean foreign minister to the Argentine ambassador in Santiago "does not satisfy the minimum expectations of the Argentine Government to continue negotiations." The spokesman said the Chilean note "only repeats known concepts already stated during the last meeting of the foreign ministers" held in this capital on 12 December 1978.

MENDOZA-SANTIAGO RAIL, HIGHWAY TRAFFIC RESUMES

PY201447Y Buenos Aires TELAM in Spanish 1250 GMT 20 Dec 78 PY

[Text] Mendoza, 20 Dec--Railroad and highway traffic between Mendoza and Chile resumed this morning, thus solving the problem of almost 1,000 Chilean tourists who had been unable to return to their country because Chilean carabineros had closed their side of the Las Cuevas international pass. The problem was solved at 0800 today, according to the announcement made in this city by resident Chilean Consul Mario Barrigrandi, who indicated that after talks were held with the Chilean Foreign Ministry, the problem of Chilean citizens stranded in this Argentine province was solved.

The Argentine railways enterprise reported that it has ordered the resumption of train service with Chile because the reasons which led Chile to close the international tunnel have disappeared. The enterprise added that train service will be resumed by the General Belgrano line at 0945 today.

The Chilean citizens, most of them tourists, were staying at pensions, hotels, bus terminals and railroad terminals in this city, waiting for the carabineros to remove the barricades which they had placed on the Chilean side of the international tunnel. The day before yesterday they had gone en masse to the Chilean Consulate to demand an explanation about what they considered an unusual measure preventing them from returning to their own country. Most tourists, among whom were 100 children, did not have the means necessary to pay for room and board, but the population of the city of Mendoza came to their aid by supplying food, especially to the children.

ARMY GENERAL COMMENTS ON BORDER ISSUE

PY202238Y Buenos Aires LATIN in Spanish 2215 GMT 20 Dec 78 PY

[Text] Cordoba, Argentina, 20 Dec (LATIN)--A general in command of troops stationed in the border area with Chile gave assurance here today that whatever the solution in the border conflict between Argentina and Chile, it will be favorable to Argentina. Gen Luciano Menendez, commander of the III Corps located in this city, 800 km northeast of Buenos Aires, made this remark prior to departure tomorrow to inspect troops stationed in the border city of Mendoza.

In a conversation with reporters during an end of the year luncheon, Menendez said, referring to the Beagle Channel conflict, that whatever the action taken, the result will be favorable to Argentina. During the last few weeks, Menendez' troops have been reinforced with troops from other corps located far from the Chilean border, especially armored troops.

ECONOMY MINISTER ANNOUNCES 1979 PROGRAM

PY210153Y Buenos Aires TELAM in Spanish 0010 GMT 21 Dec 78 PY

[Text] Bahia Blanca, 20 Dec (TELAM)--Economy Minister Jose Afredo Martinez de Hoz tonight announced from this city a series of measures to carry on further and adjust the economic program for 1979 aimed at promoting productive activity and reducing inflation.

Martinez de Hoz gave an extensive message to the country by radio and television, explaining measures aimed at reducing the budget deficit and public expenditures; tariff reforms aimed at a greater opening of our economy in order to strengthen it, permit it to adjust to a modern world, reduce costs and have access to the international markets; studies on the possibility of reducing social benefits while maintaining the same or better benefits to improve wages; and other monetary and money exchange measures aimed at reducing inflation.

The economy minister said that the economic crisis has been overcome, but that the job is not finished. He emphasized that "contrary to what has happened so many times in the Argentine economy, the short range programs now depend on the fulfillment of the medium and long range plans. That is, we have chosen the most difficult path, but the one which gives the most solid and lasting results."

He asked the population to maintain faith and perseverance until the entire cycle is achieved. He said that some important achievements have been made in the economic area during the past 33 months. He emphasized the need to take the risks of profound change in order to overcome, once and for all, the obstacles which have caused the evolution of the Argentine economy of the last 30 years to fail. He said: "Argentina must join the world's rhythm of progress; it cannot remain isolated as before; and in order to carry out this national recovery, it must adjust to the world's progress--a progress which does not stop and which has no mercy on those who stay behind."

The Commission of the Fifty, which studied the tariff reforms, submitted its conclusions based on the classification of products in six categories: 1) Foodstuff, beverages and tobacco; 2) Consumer goods, parts and components; 3) Capital goods; 4) Unfinished goods; 5) Raw and basic materials; and 6) Products not manufactured in the country regardless of the category they fall in.

Maximum tariffs have been established for each of the six categories, which are divided into subcategories, and will be reduced over a 5-year period.

A study on the possibility of improving the effective salary of workers will be submitted before 31 March 1979, by reducing the taxes charged on those salaries without affecting the social benefits workers receive.

The minimum cost-of-living salaries and the basic salaries established by agreements will be raised at the rate of 4 percent per month during the first 8 months of 1979 without eliminating the periodic adjustments given through the so-called wage lists or salary flexibility index.

In the next few days the Central Bank will issue concrete measures to promote the opening of the external sector through a significant liberalization in the movement of capital and foreign loans; the expansion of operations of the foreign exchange market, including financial operations; the establishment of guidelines for fluctuations of exchange rates in the future; and the adoption of guidelines for the monetary program.

The rate for public services and the prices set by the state will be adjusted every month during the first 8 months of 1979.

Recovery can already be sensed in most sectors of the country's economy, and it is expected that this recovery will proceed on its normal course in 1979. Each and every Argentine, acting individually or collectively, must take care that the economy is transformed on a noninflationary basis.

DELEGATION LEADER DISCUSSES MALVINAS ISLANDS TALKS

PY201719Y Buenos Aires Domestic Service in Spanish 1600 GMT 20 Dec 78 PY

[Text] The Argentine foreign under secretary and head of the Argentine delegation to the current round of talks on the Malvinas issue with the UK, Gualter Allara, made a statement to Argentine news media in Geneva. He said that it is clear that Argentina is staunchly supporting direct and bilateral dialog for the solution of the problems it has with other states. He clarified that this position is based on the fact that since the nature of these negotiations is primarily political, it is obvious that results can only be achieved through direct dialog between the interested parties.

INTERIOR MINISTER PROMISES HOLIDAY PRISONER RELEASES

PY201611Y Buenos Aires TELAM in Spanish 0730 GMT 20 Dec 78 PY

[Text] San Miguel de Tucuman, 20 Dec--Interior Minister Maj Gen Albano Eduardo Harguindeguy disclosed that in observance of Christmas and New Year's, a large number of persons arrested and put at the disposal of the executive branch will be released. Harguindeguy told the press last night that "the situation of these persons is being continually studied, and every week the court sentences, expels from the country or paroles some of them; thus, the number of persons under arrest is decreasing constantly. This weekend we expect that there will be a number of releases, substantially more than usual."

During his talks, held yesterday at the provincial government house, the interior minister also said that there will be no more changes of governors because all of the necessary changes have been made already.

15 DECOMPOSED BODIES FOUND ON BEACH

PY201726Y Paris AFP in Spanish 0525 GMT 20 Dec 78 PY

[Text] Santa Teresita, Argentina, 20 Dec [AFP]--According to the newspaper CRONICA, it appears that the number of bodies found in an advanced stage of decomposition on Santa Teresita beaches, located 350 km southeast of Buenos Aires, totals 15. The newspaper CRONICA states that police sources discard the possibility that the deaths were due to asphyxia or drowning. It could not be determined, however, if the deaths were caused by bullet wounds or by other weapons. The bodies were sent to the La Plata morgue to be examined.

BRIEFS

NEW OIL WELL--Buenos Aires, 15 Dec (TELAM)--Sources from Government Oil Deposits [YPF] today reported that the initial production of the new well in Santa Cruz Province will reach 205 cubic meters per day. The oil well has been in operation only since yesterday. It is located in the San Jorge Gulf about 55 kilometers from the town of Heras and near the Guenguel field which was recently offered by YPF in a risk contract bidding. [Buenos Aires TELAM in Spanish 0000 GMT 16 Dec 78 PY]

FINANCE MINISTER OUTLINES ECONOMIC REMEDIES

FY201916Y La Paz PRESENCIA in Spanish 18 Dec 78 p 1 PY

[Text] The finance minister has announced his firm intention of reducing the national budget. He believes that "the main economic problem of the country is the deficit caused by excessive additional demands."

During a talk with newsmen at his home, Wenceslao Alba said that because of this situation "traditional measures such as a reduction of expenditures without creating unemployment problems and without paralyzing projects" are being studied. He added that it is also necessary to create conditions for increasing incomes.

He declined to give the figure of the intended reduction of public expenditure, with the argument that the studies have not yet been completed. He said, however: "But I can confirm that superfluous and luxury spending will be cut down." In his opinion these measures, which have been mentioned so often, will provide a solution if they are applied seriously according to a real policy of austerity not marred by favoritism. He stated: "There is nothing else to do; bad times will have to come for some people."

The problem of the price increases on the internal market was mentioned, and the minister was asked about the solution intended for that problem. He once again repeated the intention of reducing expenditures which, in his opinion, will also contribute to stopping the price increases.

When the minister was asked about the bases for his assertion that there will be no devaluation of the country's currency, he answered that there are many factors which have to be taken into account, mentioning as fundamental factors the present level of monetary reserves, which he said is satisfactory (he gave no figures), and the gradual devaluation of the U.S. dollar, which is one of the currencies which has the greatest influence on the economy of the nation.

Answering another question, he said that when he referred to routine measures during the swearing-in ceremony of the new Bolivian Central Bank president, he had in mind the question of credits. He added that loans should be channeled toward the productive activities of the country.

The foreign debt "has to be dealt with very tactfully and carefully," according to the finance minister's judgement. He said that the country has inherited a situation, and that it has to fulfill its commitments and carry out genuine investment planning and their channeling to the productive sectors.

When asked whether debts will be contracted in order to realize such plans as the Viru Viru airport [at Santa Cruz de la Sierra] and the San Buenaventura sugar mill project [in La Paz Department], Wenceslao Alba said that specialized government institutions will rule on those projects on the basis of studies of priorities and the requirements of the country.

Alba expects that the project for the 1979 income and expenditure budget of the country will be ready by the middle of January. He stated that the studies of measures to reduce expenditures and put investments in order are being made with a view to the future budget.

The International Monetary Fund has made a study of the economic situation of the country, as in all years.

The finance minister was asked about the recommendations made by that organization. Alba pointed out that those studies had been made before he took office, and that the recommendations referred precisely to such aspects as the reduction of expenditures.

He stated that the matter of internal hydrocarbons prices is also being studied, and that "measures in this field will be taken in due time, with the precaution not to alter the stability of our currency."

FUDP ALLEGES 'REACTIONARY' COUP PLOT

FY201439Y Paris AFP in Spanish 1350 GMT 20 Dec 78 PY

[Text] La Paz, 20 Dec--The Democratic and Popular Unity Front [FUDP] today reported that reactionary groups, which have been partially separated from the state power structure, are preparing a new coup d'etat in Bolivia. The communique issued by the FUDP stressed that at this point these groups are engaged in feverish activity to conspire and prepare a new coup d'etat. The main opposition front stated that the reactionaries are carrying out a broad rumor campaign against the government, which has decided to constitutionalize the country as soon as possible.

LABOR LEADER ON ORIT BOYCOTT, U.S. AID TO PINOCHET

FY200256Y La Paz PRESENCIA in Spanish 17 Dec 78 p 13 PY

[Text] Juan Lechin Oquendo, the main leader of the Bolivian Labor Central [COB], has stated that the COB does not trust the Regional Inter-American Labor Organization [ORIT] and, therefore, it will maintain a wait-and-see attitude regarding the ORIT boycott against Chile, since ORIT "is not a trustworthy" entity. As is known, ORIT recently ordered the boycott which was observed by unions of many countries.

According to the ORIT leadership, the boycott, which also affects Cuba and Nicaragua, was prompted by the fact that many countries do not respect the rights of both workers and individuals in general.

Lechin Oquendo stated that "it is no secret that the government of Pinochet has survived thanks to the economic aid and weapons it has received from imperialist North American enterprises." He added that if the U.S. Government truly wants to see democracy restored in Chile, "it should simply cut the private aid which is being provided to the Pinochet regime."

The COB executive secretary compared this idea with the ORIT boycott and charged this organization with being "at the service of imperialism." Without disregarding the possibility that the COB may adopt a decision of its own on this subject, Lechin Oquendo said that one "must think over and take precautions" on the measures adopted by ORIT.

PRESENCIA ASSESSES IMPACT OF U.S.-PRC RELATIONS

FY201701Y La Paz PRESENCIA in Spanish 17 Dec 78 p 3 PY

[Editorial: "United States and China"]

[Text] It is likely that when making the usual year-end assessment, the most important piece of news concerning international politics during 1978 will be the establishment of diplomatic relations between the United States and Communist China.

Even though the news came as a surprise, because nothing had indicated that it would happen so soon, there were precedents which led to the presumption that the renewal of relations was not far away. Of these precedents, we can cite two: The impossibility of ignoring the fact that there is a stable government which rules the lives of 1 billion persons--approximately one out of every four of the earth's inhabitants; and the visit paid by former President Nixon to Peking 6 years ago, even though there were no normal relations at the time. In addition, we should recall that the United States has for some time stopped vetoing China's presence among the great powers represented in the United Nations. These and other reasons were strong ones, but it was not thought that they would lead to an establishment of relations so soon.

There are now two more reasons to explain what happened: On one hand, the existence of a common enemy, the Soviet Union; and, on the other hand, Chinese industrialization plans which presuppose an enormous volume of trade, especially in the purchase of machinery. Obviously, the United States wishes to place itself in favorable circumstances to compete with other possible suppliers. A 1 billion-person market interests any country, without consideration for ideological beliefs.

And now come the consequences--which will be many.

Above all, it would be wise to emphasize the rejected and dangerous situation in which this leaves Taiwan. Despite President Carter's expressions of goodwill, the fact that the United States officially recognizes the island as part of China would lead you to think that he has the right to subject the island to the mainland government. There will be no mishaps as long as relations between Communist China and the United States remain on good terms and there is no fundamental change--such as those which occurred during the past few years in the Chinese leadership. But nobody knows what will happen if relations should deteriorate. In any case, abandoning Taiwan, a loyal ally, the United States will not be the winner in several aspects.

Let us also think about the Soviet Union's situation. China has struggled to oppose its ally of bygone days, accusing it of "hegemony," which is the exact word used in the official Sino-U.S. communique to indicate one of the objectives of renewing relations. It is inevitable that the Soviet Union will believe that the renewal of relations implies an alliance against her. If to this we add Japan's position--it has recently signed agreements with China--which demands the return of the unquestionably Japanese islands which were occupied by the Soviets, the USSR will consider itself the object of international harassment more than ever. And we already know how nations which feel harassed can react.

The renewal of relations between the two giants will have repercussions throughout the world; and of course in Bolivia, also. On the one hand, it will affect matters concerning diplomatic relations, an aspect which, as has already been stated, will be carefully analyzed. On the other hand, let us not forget the connections of the Moscow and Peking communist parties with their centers of ideological inspiration. The distance between the two big Marxist centers--which has now become even wider--will have an effect on their party supporters in Bolivia, who have already been at odds for some time.

MINISTER REPORTS SAUDI PROMISE OF MORE GRADUAL INCREASE

PY201352Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 20 Dec 78 PY

[Text] The minister of mines and energy reported that he received a telegram from Saudi Arabia informing him that Arab-type oil [o petroleo tipo Arabe] will carry an increase of 2.5 percent, and not 5 percent, beginning with the first quarter of 1979. Minister Shigeaki Ueki stated that all of the PETROBRAS [Brazilian Petroleum Corporation] refineries are able to refine this type of oil. The Saudi decision will mean a savings of $30 million for Brazil.

EDITORIAL EXAMINES U.S.-PRC RELATIONS

PY200200Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 19 Dec 78 p 10 PY

[Editorial: "Diplomatic Charter"]

[Text] The Asian landscape is changing faster than our eyes can adjust to it. The treaty signed recently between the PRC and Japan has already showed that the face of Asia, and therefore of the world, is changing. The resumption of relations between the United States and China is something even more remarkable: It is the most important event in recent years on the international stage--an event the like of which has not been seen since the first cracks were noticed in Sino-Soviet friendship 10 years ago. The speed of events caught the Japanese by surprise. As the president of the Japanese-Chinese economy and trade association has just commented: "Japan had no time to really become established as China's main partner, and now it is running the risk of losing that position to the United States." To the PRC, which is seeking modernization, the United States can offer, for instance, extraordinary experience in agricultural techniques, and, for obvious reasons, it is in a better position than Japan to offer the armaments the PRC needs more and more as its relations with the USSR grow worse.

Politically the consequences of this resumption of relations are just as important. The strategy drawn up by Henry Kissinger, who envisioned the two-sided world resting on a triangle which gave the United States great room for maneuvering, is coming to an end. The USSR has good reason to feel surrounded, and the consequences of this feeling--as observed by the JORNAL DO BRASIL correspondent in Moscow--may well be the progress made toward the new SALT agreement. Moscow cannot let things stand as they are, hoping that they will improve; it has to go after concrete understandings as much as possible to reduce threats to its security in the world arena.

Looking at this resumption of relations from the moral standpoint, the United States is abandoning Nationalist China to which it is tied by a defense treaty signed in 1954. This moral aspect touches on a sensitive spot in the minds of the Americans, who are still traumatized by their forced withdrawal from Vietnam. However, if moral considerations have no influence on the daily tug-of-war of international power, they have even less influence to stop a decisive turn of events in history, especially if there is a good justification for the turn. Part of the justification is that Formosa cannot indefinitely be protected from continental China, because it is part of the continental territory. Another justification is that the Chinese and the Americans acted with a good sense of pragmatism in this instance. The PRC raised no issue over the supply of U.S. arms to Formosa, because the idea of taking over the island by force seems remote for the time being, since the PRC regime has more serious problems to solve. The decisive factor, however, may well be the transformation of Asia. There is no Red avalanche in sight, but a landscape disjointed by diverging interests--Kampuchea opposing Vietnam, which in turn opposes the PRC, which in turn opposes the Soviet Union. In such a situation, the rapprochement of the PRC and the West can reinforce the value of pragmatism over ideological fanaticism and--who knows?--could facilitate the resolution of the Formosa problem somewhere along the line.

PRESS REPORTS NEXT MOVE IN BEAGLE CHANNEL DISPUTE

PY202040Y Paris AFP in Spanish 2012 GMT 20 Dec 78 PY

[Excerpt] Santiago, 20 Dec (AFP)--In a report released here this afternoon, the ORBE news agency, which is linked to official circles, indicated that the next Chilean action will be to unilaterally request the Vatican to act as a mediator. Moreover, Foreign Minister Cubillos reported today that an announcement will be made within the next few hours on the future steps Chile will take toward finding a solution to the border conflict in the southern region.

CHILE INVITES ARGENTINA TO AGAIN ACCEPT HOLY SEE MEDIATION

PY202320Y Paris AFP in Spanish 2227 GMT 20 Dec 78 PY

[Text] Santiago, Chile, 20 Dec (AFP)--Chile today invited Argentina to reiterate trust in the Holy See to act as mediator in the border dispute involving the two countries in the southern region, it was officially reported here. In this regard Foreign Minister Hernan Cubillos delivered a diplomatic note to the Argentine ambassador in Santiago, Hugo Mario Miatello, to be sent to the Argentine foreign minister, Carlos Washington Pastor. The note indicates that as a demonstration of that trust, each government should submit all background information on the case so the Holy See can be of assistance in finding a just solution to the dispute within the conditions that have already been agreed upon for mediation. Chile and Argentina have a century-old border dispute over the Beagle Channel, which worsened after Argentina's refusal to accept the British Crown's arbitration awarding Chile sovereignty over the three islands lying to the south of the channel.

TEXT OF FOREIGN MINISTER CUBILLOS' LETTER TO ARGENTINA

PY210042Y Buenos Aires LATIN in Spanish 2250 GMT 20 Dec 78 PY

[Text] Santiago, Chile, 20 Dec (LATIN)--The following is the text of the letter sent today by Chilean Foreign Minister Hernan Cubillos to his Argentine counterpart, Gen Carlos Washington Pastor:

Mr Minister:

Christmas, which has such a great spiritual significance for the entire world, strengthens the desire of the Chilean and Argentine peoples to live in peace, fraternity and hope, free from risks and tensions. In keeping with their Christian tradition, our two peoples only want to devote their energy to building the greatness of our respective nations in an atmosphere of tranquillity and solidarity.

These feelings, which are shared by all Chileans, prompted my government--with the purpose of finding a solution to the present conflict in the south--to renew in its note of last 2 November its invitation to your government to take the case by mutual agreement to the International Court of Justice, pursuant to the 1972 general treaty for the judicial settlement of controversies. In this same note, my government proposed that the Argentine Government request the mediation of a friendly government selected by mutual agreement. Your government accepted the proposed mediation.

We made positive, fundamental progress in the talks we held in Buenos Aires on 12 December. We agreed to request the Holy See to act as mediator, and we agreed that the mediation be carried out within the framework of the Puerto Montt Act.

Despite these basic points and agreements, the mediation could not materialize at that time.

In view of the climate of tension prevailing between the two countries, and the risks this involves for both countries, we must persevere in our joint efforts to restore fraternal coexistence, an exemplary characteristic of our relations.

Therefore, keeping in mind these purposes, the Chilean Government hereby invites your government to reiterate to the Holy See our full confidence in its action as mediator and to request it to accept this mission.

The Chilean Government proposes to your government, as a token of confidence, that each government inform the Holy See on the background of the case so it can seek a just solution to the conflict within the framework established for mediation.

The Chilean Government is certain that the Holy See's action will contribute to immediately overcoming the present tensions.

I wish to take this opportunity to reiterate to your excellency the assurances of my highest and distinguished consideration.

PRESIDENT DISCUSSES BEAGLE DISPUTE, MINE SHAFT BODIES

PY201906Y Santiago Chile Domestic Service in Spanish 1630 GMT 20 Dec 78 PY

[Text] The Chilean-Argentine situation was widely discussed by President Augusto Pinochet during a working breakfast he held this morning with government house journalists to celebrate Christmas and New Year's festivities. President Pinochet was accompanied by the first lady; Gen Rene Vidal, government secretary general; Hugo Morales, social communications director; and Eduardo Ramirez, presidential press secretary.

Reviewing the Chilean-Argentine situation, President Pinochet expanded on this issue by discussing the negotiations and by noting the Chilean Government's firm position on this issue. In this regard, he reasserted that the two countries agreed to select the Vatican as mediator of the controversy. He added that Chile will not be the aggressor, but that it will not allow itself to be trampled upon. Furthermore, he said that calmness should be maintained in this difficult time.

Another subject touched at the meeting was the discovery of bodies in the Lonquen abandoned mine shaft. Pinochet regretted that some sectors are exploiting this issue politically and noted that people should not forget that in 1973 the armed forces and security forces faced a civil war. He recalled the existence of the precise and verified Marxist-Castroite plans to assassinate high-ranking Chilean military and civilian officials and even representatives from the different social sectors, including workers. Pinochet added that it should be remembered that during this period carabineros and army barracks were surrounded and attacked by extremists who used foreign weapons.

Making a review of the year, President Pinochet said that one of the most positive achievements has been the gradual enforcement of the new institutionality and drafting the new constitution. But he added that the maritime demarcation dispute with Argentina and the boycott against Chile have been negative aspects this year.

Concluding, President Pinochet wished all journalists a merry Christmas and success in the new year. Moreover, he thanked the journalists for their cooperation during the year, and he reemphasized the importance of the mass media.

U.S. WARSHIPS RUMORED IN SOUTH ATLANTIC WATERS

PY201254Y Santiago Chile Domestic Service in Spanish 1045 GMT 20 Dec 78 PY

[From the Rafael Pisainer commentary]

[Excerpt] The strangest rumor which has been circulating in Santiago since last week is that there are U.S. naval units in South Atlantic waters. This is really a strange rumor because both U.S. and Soviet spy satellites are capable of detecting the presence of a navy fleet and even the movement of troops. These satellites are even capable of photographing and sending images to the earth of any troop movements.

Normally the United States does not have a fleet in Latin America's southern waters. The only more-or-less permanent presence of a foreign fleet in these waters is that of a British fleet stationed in the Malvinas Islands or Falkland Islands--we give both names because we are not taking sides on this issue--but I repeat, traditionally the United States does not have a fleet stationed in South Atlantic waters.

It is hoped that this rumor is not true, because the involvement of a third party in this issue would be one too many. We have enough problems as it is with the disputes between Chile and Argentina without the United States taking sides with one party or the other. Furthermore, once the United States is in these waters it will be followed by the USSR and then--who knows?--we will end up having everybody prowling in those waters. The Beagle issue should stay, as it has always been, within the domain of Chile and Argentine, or vice versa.

But the presence of these ghost U.S. ships in the Magellan Strait, or south of these straits, or at Cape Horn, or near the Chilean Wollaston Islands has not been confirmed.

DEPUTY FOREIGN MINISTER DISCUSSES TRIP TO EGYPT

PY201339Y Santiago Chile Domestic Service in Spanish 1000 GMT 20 Dec 78 PY

[Summary] The deputy foreign minister's trip to Egypt was very fruitful. Gen Enrique Valdez, who returned to Santiago yesterday, stated that he was very pleased with the favorable results achieved during his 2-week visit to Egypt. General Valdez went to Egypt to install a mixed trade commission.

He noted that the main objective of the trip was completely fulfilled. The Chilean and Egyptian groups approved the regulations of the commission, which will start to work immediately. The deputy foreign minister said that important progress was achieved on the agenda.

General Valdez noted that he held a 1/2-hour meeting with Egyptian Prime Minister Mustafa Khalil. He added that during the meeting the Egyptian foreign minister accepted an invitation to visit Chile.

BRIEFS

PARAGUAYAN MILITARY DELEGATION--President Augusto Pinochet received today at government house a military delegation from the Paraguayan chief of staff command school which today ends an 8-day visit to Chile. The group is headed by Maj Gen Carmelo Pineiro Zarza, who thanked the Chilean president for their cordial reception in Chile. [Santiago Chile Domestic Service in Spanish 1630 GMT 18 Dec 78 PY]

GOVERNMENT MINISTER, POLICE CHIEF DISMISSED

PA210159Y Madrid EFE in Spanish 0139 GMT 21 Dec 78 PA

[Text] Quito, 20 Dec (EFE)--The Ecuadorean military government removed Government Minister Bolivar Jarrin from office tonight. He was replaced by Rear Adm Victor Hugo Garces, who was secretary general of public administration until tonight. Another decree dismisses Police Chief Gen Alberto Villamarin, who was replaced by Gen Humberto Leon.

OIL PRICE INCREASE WILL BRING 1.3 BILLION MORE SUCRES

PA192017Y Quito Voz de los Andes in Spanish 1730 GMT 19 Dec 78 PA

[Text] The oil price increase effective as of 1 January next year will represent an additional income of more than 1.3 billion sucres for our country.

This increase will benefit the state budget and the process involved in undertaking the various programs contained in the present government's development plan during the time it has left in office.

The so-called oil boom has generally brought only hunger and misery to Ecuadoreans. The people's food intake has been reduced because of the high price of staples. The inflationary process is causing many problems.

The only ones who have benefited from the oil are the rich, who now are richer while the poor struggle in the most horrible poverty.

AGRICULTURE THREATENED BY BOOST IN OIL PRICE

PA201923Y Paris AFP in Spanish 1715 GMT 20 Dec 78 PA

[Text] Quito, 20 Dec (AFP)--It was maintained here today that the increase in the price of crude decreed by OPEC will affect Ecuadorean agriculture. Leaders of the agricultural sector stated that machinery and mechanical equipment imported from industrialized countries will increase in price.

Leaders of the Chamber of Commerce indicated that a "vicious cycle" is being created in which oil increases will be followed by increases in the price of imported goods, ultimately affecting the budgets of most Ecuadoreans.

BRIEFS

OIL RESERVES INCREASE--Quito, 17 Dec (AFP)--The Ecuadorean State Petroleum Corporation (CEPE) has announced after several exploration projects in the eastern Amazon region that oil reserves have increased to 150 million barrels. Crude reserves, which had remained stable since 1972, when commercial exploitation began, will increase appreciably in the future, official circles indicated. [Paris AFP in Spanish 1712 GMT 17 Dec 78 PA]

OIL EXPORTS--Ecuador's oil exports for the past 11 months of this year totaled 39.9 million barrels, an increase of 14 percent over the same period last year. The Ecuadorean State Petroleum Corporation exported 25.7 million barrels and Texaco exported 14.2 million barrels. [Quito Voz de los Andes in Spanish 1730 GMT 20 Dec 78 PA]

EL TIEMPO REPORTS DISCOVERY OF ALLEGED CHILEAN SPIES

PA201540Y Paris AFP in Spanish 1444 GMT 20 Dec 78 PA

[Text] Lima, 20 Dec (AFP)--The weekly EL TIEMPO reported here today that two of the three [Chilean] citizens deported to Chile 5 days ago were "presumably Chilean spies, captured in Talara," Piura, 1,000 km (?from Lima).

According to the report, the two Chilean citizens who were caught photographing Pato airbase near Talara were found to be the commander and deputy commander of the oil tanker Beagle of the Chilean Navy, which on 13 December anchored in the port of Talara for repairs.

The report states that when the two Chilean officers, dressed in civilian clothing, were caught, they attempted to expose the film, but both film and camera were saved because of efficient intervention by the base security corps.

EL TIEMPO added that Peruvian security personnel captured a truck which was used to transport the officers from the Beagle. It was identified as belonging to a person on the staff of the Chilean Embassy in Lima.

The weekly states that the report is based on information received from Peruvian security personnel.

EL TIEMPO says in conclusion that these alleged Chilean "spies" may have been the two civilians who were brought to Talara by military aircraft and sent to Chile on a commercial flight on 15 December.

Foreign Ministry Communique

PY210143Y Lima Radio Union in Spanish 0100 GMT 21 Dec 78 PY

[Official Communique No 006/78 issued on 20 December by the Foreign Ministry in Lima-]

[Text] 1. The report published today by one of the weekly newspapers of this capital regarding the activities carried out by two Chilean naval officers in Talara is basically true since the reported events actually took place.

2. In handling serious situations of this nature it is common practice among nations to act in a **discreet manner** to avoid publicity which could be damaging. The Foreign Ministry and all Peruvian officials involved have observed this practice.

3. It is proper to state that the Foreign Ministry acted with the determination demanded by the situation and immediately summoned the Chilean ambassador to the office of the foreign minister, who told the ambassador that the actions carried out by the Chilean officers are not in keeping with the spirit of relaxation and dialog which Peru has maintained on the international scene, and that any repetition of actions of this nature would endanger the good relations between the two countries.

PEMEX ISSUES COMMUNIQUE ON PLANNED PRICE INCREASES

PA201657Y Buenos Aires LATIN in Spanish 2152 GMT 19 Dec 78 PA

[Text] Mexico City, 19 Dec (LATIN)--It was officially announced here today that Mexico will increase the price of its oil by almost 5 percent in the first quarter of 1979 as a result of the price increases adopted by OPEC. A communique issued by Mexican Petroleum (PEMEX) stated that Mexico is carefully observing the changes in the world's oil markets, particularly in the area of the Gulf of Mexico, to see how the level of prices is affected by the measures taken at the Abu Dhabi meeting.

The PEMEX communique was released 2 days after the OPEC countries decided to increase the international price of crude by 14.5 percent.

The PEMEX document states that this new situation will also affect shipping costs, since the cost of fuel for the world's oil fleet and other related costs will increase. On the other hand, the document added, when the price per barrel of light crude increases from $12.70 to $13.30 in the Middle East in the first quarter of 1979, the price of Mexican crude will increase to no less than $13.73 a barrel, without including the effect of increased shipping rates.

Mexico, an oil power which does not belong to the OPEC, currently sells its crude at $13.10 per barrel. In other words, according to the communique, the price will increase by 4.8 percent during the first quarter of the coming year.

The PEMEX communique indicated that the program of exports of Mexican crude, based on an approximate average of 717,000 barrels a day, would produce a total income of 79 billion pesos (approximately $3.4 million) at the old prices. If the average increase in the course of the year is 10 percent, therefore, the additional income for the country will be 7.9 billion pesos (approximately $340,000), depending on the prices ultimately set with clients once the initial impact of the measure has been absorbed.

Mexico, which has potential reserves of at least 200 billion barrels, produces 1.5 million barrels daily, of which it exports an average of 480,000 barrels.

The Mexican Government is carefully considering the medium- and long-term effects of the OPEC increase, which could affect the price spiral not only of hydrocarbons but also of imported capital goods and services within the oil industry as well as in industry in general. Those countries which have neither oil nor heavy industry will feel the double effect, the document states.

ANIQ SUPPORTS PRICE HIKE ANNOUNCED BY OPEC

FL202002Y Mexico City INFORMEX in Spanish 1911 GMT 20 Dec 78 FL

[Text] Mexico City, 19 Dec (INFORMEX)--The National Association of the Chemical Industry (ANIQ) today announced that it approves of the price increase ordered by OPEC because it makes our country more attractive for investments, transforming it into a potentially strong exporter of both crude and petrochemical products.

ANIQ Vice President Leopoldo Rodriguez indicated that this increase will make Mexico more desirable for the United States, where there is great interest for our products. In an interview granted to INFORMEX, Leopoldo Rodriguez stated that the increase in the price of oil announced by OPEC broadens Mexico's possibilities of exporting petrochemical products to and participation in foreign markets.

However, he said, there is concern for the immediate future because a large part of the raw materials needed in the manufacture of petrochemical products are being obtained abroad. But in general, he added, the consensus is favorable because "it is considered that the increase will improve and strengthen our position in all aspects."

Finally, Leopoldo Rodriguez stated that from all indications there will be a rise in the prices of all byproducts derived from refining and of basic and secondary petrochemical products as a result of the oil price hike.

SUGAR INDUSTRY REPORTS INCREASED PRODUCTION

FL202001Y Mexico City INFORMEX in Spanish 1904 GMT 20 Dec 78 FL

[Excerpts] Mexico City, 19 Dec [as received] (INFORMEX)--After 4 years in which the Mexican sugar industry saw its development halted, this year Mexico overcame this situation with a production of 2.851 million tons of sugar. With this production, described as "historic," Mexico became a sugar exporting nation meeting a 75,000-ton quota in the international market.

Sugar producers have increased production year after year during the administration of President Jose Lopez-Portillo. In view of the aforementioned, it is expected that the 66 active sugar mills will reach a production of 3 million tons in the 1978-79 harvest, which represents a great effort in that industry.

It is expected that domestic consumption will increase, reaching a total of 225,000 tons in the next harvest. In other words, we will have 2.825 million tons over domestic consumption. It is therefore advisable to maintain a stock between 250,000 and 300,000 tons for any contingency and an export surplus. [all figures as received]

SIDERMEX DIRECTOR COMMENTS ON STEEL PRODUCTION

FL202021Y Mexico City INFORMEX in Spanish 1938 GMT 20 Dec 78 FL

[Text] Mexico City, 19 Dec [as received] (INFORMEX)--This year's achievements of the iron and steel complex SIDERMEX--which includes Altos Hornos de Mexico, Fundidora Monterrey and the Lazaro Cardenas-Las Truchas iron and steel complex--were more than 4 million tons of steel and 36 billion pesos in sales.

Lic Jorge Leipen Garay, director general of the parastate iron and steel sector, made the announcement at a news conference today. He said that prospects for 1979 are encouraging, although adding that the iron and steel industry requires at least a 20-percent increase in the price of steel.

Regarding national production, the official indicated that it had reached 6.8 million tons this year, exceeding the expected production of 6.6 million tons. Discussing prices in Mexico's domestic market, he said they are between 35 and 40 percent below prices in effect in the market of the principal steel producing countries such as the United States, France, Germany and Japan.

Leipen Garay also discussed expansion plans, asserting that before considering such plans we must first think of optimizing current installed capacity and for this it is necessary to use quality raw materials which permit higher yields than current ones.

He noted that if this were attained, we would be able to increase production with the existing installations without the need for investments to expand them.

ROYO INTERVIEWED ON HAVANA SUMMIT, RELATIONS WITH CUBA

PA192139Y Havana International Service in Spanish 0000 GMT 19 Dec 78 PA

[Interview with Panamanian President Dr Aristides Royo by Radio Havana special correspondent Pedro Martinez Pires at presidential Palace of the Herons; date not given--recorded]

[Text] [Question] Mr President, next September the sixth summit meeting of the nonalined countries will be held in Havana. What importance do you attribute to the fact that a meeting at this level is being held in a Latin American country for the first time?

[Answer] Thank you, Pires. I think the fact that this conference is being held in Latin America has great importance for Latin America. It is something that our countries should take advantage of--the Latin American countries which are members of the nonalined movement, as well as the observer countries and even those which do not belong to the nonalined movement. I believe that they should send delegates to Havana to get a close look at the functioning, the purposes, the primary objectives of the nonalined countries.

The fact that this conference is being held in America will also, in my judgment, justify a number of presentations by Latin American countries, taking advantage of the conference--presentations on matters that are economic or political--matters related to continental solidarity among Latin American countries. I feel that within the framework of the conference, which is a worldwide framework, a number of Latin American issues could be presented or emphasized. Specifically, I believe that the participating countries which are members of the nonalined movement should encourage those that are not members to participate in this conference, even countries which have no relations with Cuba but which feel linked, one way or another, to the movement. They should send representatives and feel that they are a part of Latin America, a part of the world--a world which in our judgment is well represented in the nonalined movement, to which Panama belongs.

[Question] Mr President, Cuban-Panamanian relations have developed notably in recent years. Could you comment on this and on the prospects for these relations?

[Answer] Thank you very much. I believe that a marvelous aspect of the way in which Cuba and Panama have managed their relations is that there is a deep respect--between General Torrijos and Fidel, between the two governments, between the two peoples--for the political systems which each of the peoples has chosen. Cuba was free to choose its system and Panama has also been free to choose its system. However, this has not prevented the Cuban people from always supporting--with their government and their top leader Fidel Castro at the head--Panama's just aspirations. It is as if Panama were to fail to support Cuba's just aspiration with regard to Guantanamo or any other just aspiration which Cuba were to hold, in the area of protection and defense of its territory, or for the protection and defense of its political system which Cuba chose. [fragment as heard] We would have to protect the political system which any country chooses for itself.

Within this framework of mutual respect, which also includes support for the legitimate cause of our people, Panama's relations with Cuba have developed in a marvelous manner, a marvelous manner which in our opinion has great prospects.

If someone were to ask why Panama is interested in expanding relations with Cuba, we would say: Independent of political beliefs, for which we hold total, absolute respect, there exist a great number of common ideas, common objectives. They are people who speak our language. They are people whose characteristics are very similar to ours with a manner of thinking and feeling that is similar to ours. They are a people who identify with ours, and they are a people, above all, who have developed their own technology, their own industry. They are a people who went from almost total and absolute dependence to profound independence in their industry and their manner of acting and of living. Therefore, we believe that the Cuban lesson can be an example for a country like Panama and we are obliged to respect what has been done in Cuba recently--I repeat, with respect for the political system--as far as developing the Cubans' own technology and achieving their own development--Cuban development.

Panama also hopes to achieve a Panamanian development, independently of the development of other peoples. Therefore, Panama must expand relations with a country like Cuba, which in this area has achieved notable progress.

In the field of sports and sporting industry, in the field of dairy industry, the fishing and forestry industries, in the field of sugar technology and of the 200 products derived from sugar which Cuba has developed greatly, I believe that Panama has a lot to learn. And when we speak of fishing--we also have fishing areas, a great number of such areas in Panama--I think that we must also look at what has been done by a country that is relatively small such as ours. Even though it has many more inhabitants than Panama, [we must look at] what a country such as Cuba has done to develop its fishing industry, to develop its sugar technology, to develop its dairy industry, to develop its citrus industry, that other countries have not done. It means that something is being done there and that we can also receive good examples from Cuba.

[Question] Regarding Cuba, Mr President, in the next few days, on 1 January, the Cuban revolution will be 20 years old. What is the president of the republic of Panama's assessment of that historic event?

[Answer] I feel that it was a historic event which shook the entire continent. I believe that all youths--I was 17 or 18 years old at the time of the Sierra Maestra feat--I believe that all youths of America were in the Sierra Maestra in spirit.

I feel that it was undoubtedly a historic accomplishment by a people who fought against tyranny and by a regime which has been clearing a path for itself--with much struggle, with many difficulties being faced by its system which is not comparable to that of many other nations but which deserves the respect of us all. Cuba has a great leader at its head, a government which has been able to develop that country, which has been able to understand that country and which has led the Cuban struggles--domestically, in the international sphere and in the world sphere [as heard]--winning the respect of all nations of the world.

[Question] Would the president of Panama like to say anything else?

[Answer] A very cordial greeting to the people of Cuba in view of the massive, many-faceted and constant support which they have always given to the Panamanian people and the profound respect which the government and people of Cuba have felt toward our people and our government. I hope, for the next year, that the good relations which exist between our countries remain in effect and are expanded.

COMMENTATOR WARNS OF RISKS IN CERRO COLORADO MINE PROJECT

PA191942Y Panama City Radio Hogar in Spanish 1230 GMT 19 Dec 78 PA

[Commentary by Milciades Ortiz, from the "Radioperiodico Conciencia" program, entitled: "Shadows and Clouds Over Cerro Colorado"]

[Excerpts] The country's attention is being skillfully directed toward the Canal Zone and its partial devolution to Panama next year, so few have noticed that the landmark issue for Panama at this time is not the Canal Zone but the Cerro Colorado copper mine. The Cerro Colorado balloon has been losing air little by little despite the efforts of certain interested parties in ramming the business through even at a high cost to the Panamanian people. At the beginning everything looked rosy. There were reports and more reports by technicians that Panama had the largest copper mine in Latin America and so forth. A rain of millions, more than the canal produces, was announced. It was alleged that the Indians of the Chiriqui highlands would profit by the millions from Cerro Colorado and so forth.

But a shadow of darkness has fallen over Cerro Colorado. Statements that have been made, and not denied so far, indicate that Cerro Colorado is not the panaces it was claimed to be. In the first place, copper does not have a stable price on the international market and may fluctuate from one moment to the next. The sad experience with Panamanian sugar, which cost the country about $25 million in losses, should have scalded the government in regard to competing on the world market with products whose prices depend on many other factors beyond the control of a small republic like Panama.

Initial reports against the Cerro Colorado project were minimized. The press has not been able to fully discuss the issue because it is controlled precisely by the Cerro Colorado interests. If you do not believe this, it should suffice to inform you that the president of the Cerro Colorado Copper Corporation is the same person who presides over the publishing house that puts out three of the four newspapers in this country.

Persons closely connected to the center of power in Panama were included in top posts in Cerro Colorado, thus obtaining national political support for the project. Any possible dissident was silenced. Added to this is the commission of about $140 million which would be distributed among a few local figures if the $1.6-billion loan for the mine is secured. This commission alone would justify any excessive determination to convince the nation that the plunge into Cerro Colorado should be taken even if Panama is not holding all the winning cards. The latest maneuver was to obtain Canada's backing. Prime Minister Pierre Trudeau rashly promised $1 billion for the exploitation of Panamanian copper. This sensationalist gesture has not met with a very good reception in Canada where, this newscast knows, some copper mines have been closed because they are not profitable. That is why Trudeau has met with resistance in obtaining the $1 billion for Panama and there is little talk here of his offer any more.

Moreover, Red China is entering into the competition. As if the very low price of copper were not enough--the price is almost half of what would be needed to make the business profitable in Panama--we now have the PRC--recently recognized by the United States--about to put into operation a copper mine which is twice as large as Panama's and whose exploitation will cost half as much as Cerro Colorado. Moreover, U.S. capital may decide to invest in the Chinese copper mine to improve relations with the 800 or so million Chinese, who are a good potential market for the United States.

A report on the Chinese copper mine was in the 8 December WALL STREET JOURNAL but apparently nobody in Panama was able to obtain the issue. The fact is that Cerro Colorado has very good godfathers in our country.

There are many shadows over Cerro Colorado, shadows which loom larger every day and make people more suspicious. For example, it is said that the director of Cerro Colorado has absolute powers for contracting loans in the name of Panama for hundreds of millions of dollars, which would dangerously increase Panama's foreign debt. We know that the foreign debt is around $2 billion right now and only 10 years ago it was $350 million. The enormous interest payments, which comprise 40 percent of Panama's capacity to pay, is worrying the International Monetary Fund, which will soon send several experts to warn the government that it has to cut down on its debts. With Panama's foreign debt of $2 billion in mind, it appears that an investment of $1.6 billion in a single enterprise of doubtful outcome, such as Cerro Colorado, is extremely dangerous and risky.

If Panama in the next 2 years were to increase its foreign debt to $3.6 billion, it would be tied hand and foot to international U.S. capital. We Panamanians would be mortgaged up to the year 2050 at least. The shadows and clouds before the public's eyes must be dispelled.

That is why the Panamanian community asks for a clarification of what is actually going on with the Cerro Colorado mine. This should be done at different levels, including the Council of State, with public debates where Panamanian experts and foreigners could state their opinions without pressure or restraint. This is needed because the elements which revolve like satellites over the Cerro Colorado mine are so well connected with the government that many people are afraid to express their ideas. But we must keep in mind that the volume of the Cerro Colorado investment is so high and risky that it would be a crime to remain silent when there are so many elements which make us doubt its beneficial contribution to Panama.

PRD DEPUTY SECRETARY GENERAL OUTLINES PARTY'S VIEWS

PA201215Y Panama City DOMINICAL in Spanish 17 Dec 78 pp 1-A, 11-B PA

[Text] Ascanio Villalaz, deputy secretary general of the Democratic Revolutionary Party (PRD), has said that the establishment of the PRD guarantees the continuity of the Panamanian process in this juncture of democratization of the Panamanian State. It responds to the responsibility of the leaders of that process and is consistent with the need of a new state which emerged 10 years ago to have political organizations that analyze the feelings of the Panamanian people.

In an exclusive interview with LA REPUBLICA newsmen, Villalaz said that the PRD will be a multiclass party with a deep popular base and in which consensus will be the method of action. He added that the new kind of democracy, like that in our country, does not accept the political parties of the past. Therefore, the PRD will be an organization that has man as its fundamental reason and will promote his well-being, encouraging the active participation of the rank and file in the community organizations such as local and community boards.

The PRD deputy secretary general said: "We must clearly differentiate between the PRD and the government. We will be watchful and will maintain an attitude of permanent critical evaluation of official actions. An organization such as ours will be able to listen constantly to the opinions of the people to guarantee that their concerns and problems will reach high official spheres, and we will work so that these will be borne in mind. We will defend the current political system as a mechanism of active participation by our rank and file in the government."

Villalaz said that the PRD, as a nationalist party, will closely supervise the fulfillment of the decolonization timetable established in the Torrijos-Carter treaties. [paragraph continues]

It will struggle permanently so that our country will reach the level of economic and social development that will permit it to respond to the challenge of organized development needed to face the elimination of the fundamental contradiction of the Panamanian State [the recovery of sovereignty over the Canal Zone].

Regarding the PRD's relations with the national government, Villalaz said that the organization will maintain a policy of periodic review in order to avoid falling into the bureaucratism that separates the leadership from its people which would make it impossible for the leadership to lead the people in times of crisis. The PRD will carry out a policy of unity of all Panamanians and will serve as a means of expression for the masses.

Villalaz said: The PRD is not a "coalition of ideologies." We believe in the participation of the rank and file and in discipline. Consensus will be the system, and we will have the essential mechanisms to listen constantly to our members whose feelings will also be the feelings of the party.

Villalaz said that the PRD leadership will have honesty as its cornerstone. Patriotism and high moral standing will be the essential credentials of people chosen by the rank and file, he added.

Villalaz said that the PRD is a creation of Brig Gen Omar Torrijos. However, he said, We do not claim a monopoly over his principles. We are firmly convinced that General Torrijos' historic work has the support of each and every one of the political groups in the country. Torrijos is above any political organization, and the role he has played and will play in our country's national development is generally recognized by all national political sectors.

The PRD deputy secretary general said that the PRD, as a democratic, popular, multiclass, unitary and nationalist organization, believes in a strong private enterprise which participates in development tasks. One cannot distribute the wealth that has not been created. Within the economy the state must assume those functions which by their own nature cannot be developed by private enterprise. Villalaz said that it is essential that wealth by created in order to distribute it in the form of prosperity and economic and social tranquillity.

Villalaz said that, just as President Aristides Royo has stated, the PRD will not function with funds of the Panamanian State. We will undertake activities that will permit us to collect the necessary funds, making each member who contributes to the party feel permanently linked to it, its operation, its actions and its administration, he said.

Villalaz said that the revolutionary process has created the structures that permitted the political awakening of the men and women of our fatherland where the phase of humiliation of the people by the political organizations and corruption have disappeared forever. The PRD will maintain a permanent policy of unity and the search for solutions to the national problems. This will require a concept of solidarity and nonsectarianism.

We believe that a rank-and-file structure will give us the mechanism that will permit us to stress the regional and local problems in the national plans. PRD members will be aware of the actions of the community organizations which will guarantee the people's effective participation in the solution of their problems.

Professionals, workers, students, businessmen, young people and Indians will all participate in the country's democratization. The PRD will be the effective instrument for that participation.

MATUTINO VIEWS NULLITY SUIT FILED BY FRAMPO

PA201235Y Panama City MATUTINO in Spanish 19 Dec 78 p 4A PA

["Vox Populi Vox Dei" column by Luis Restrepo R.: "Nullity Suit"]

[Text] Spokesmen of the People's Broad Front Party [FRAMPO] have filed an illegality suit and requested the annulment of the provision in the electoral law which sets the number of party supporters at 30,000 in order to register a party for participation in the upcoming elections. The FRAMPO members maintain that such a provision places the political parties in a position where they are faced with difficult and costly political tasks. Therefore, the FRAMPO leaders feel that the number of party supporters demanded by the law should be substantially reduced.

The country's recent political history indicates that every time an effort was made to try to avoid the proliferation of small and personal parties, similar arguments were presented. Consequently, situations emerged which were repudiated by the majority of the citizens because they felt these situations were an offense not only to the public and the political process but also to the nation's dignity. After the suit in question became known, this writer took the time to find out the opinion of a dozen persons--all of them knowledgeable about what occurred in the 1940's, 1950's and 1960's.

The unanimous opinion of that group of capable and active people was contrary to the suit filed by the broad front members.

Some of them, recalling the measures adopted by President Remon Cantera, who set the number of supporters at 50,000 to register a political party, noted that following Remon Cantera's death, the figure was substantially reduced and the consequences of that action are known to all. In the FRAMPO case the writer considers that the party leadership has been frightened before it even begins its political tasks. It is true that hard work will have to be done, but it is probable that the front would attract thousands of independent citizens, professionals, workers and students interested in a political party that is truly detached from the government and that would be able to compete successfully with the Democratic Revolutionary Party, whose image, at least up until now, does not evoke the trust of those in the aforementioned group.

Reducing the number of party supporters set forth in the electoral law as a prerequisite to register a political party would not only be contrary to history but would also open the doors to an onerous past which facilitated fraud and personalism as credentials to rise to power.

COLUMNIST URGES GOVERNMENT TO COMMUNICATE WITH PEOPLE

PA200018Y Panama City CRITICA in Spanish 19 Dec 78 pp 8, 18 PA

["Pisando Callos" column by Carlos J. Nunez L.]

[Text] One must be careful with the smokescreen regarding the upcoming social problems in our country. Responsible officials must face problems and not let things get complicated so that they do not have to improvise later on.

The military retreat to a secondary plane does not mean a retreat in the style of work or in the way the leadership should run the government.

The government continues to be called revolutionary, but the participation of the cabinet members, it seems to us, is too mechanical, almost bureaucratic. [paragraph continues]

The country does not resist this type of monotonous movement in [the search for] solutions. More action is needed. General Torrijos used to always adopt a teaching attitude, that is, he dug out the problems, explained them and ironed them out. Despite the retreat, the problems continue and [the government] must keep on explaining current and future problems to the people.

As members of the press, we attentively follow the guidance imparted by the executive for the management of his administration.

The idea of the "attack on misery and poverty" was launched at the beginning, but after 1 month this idea or criterion was forgotten.

We feel a little confused by this change of tactic or strategy. We believe that the austerity plan, which according to us is most sound, must be complemented with the original idea of the "attack on poverty." Something is missing, however, and it has become a solitary "slogan" [in English].

Going back to the original idea, we believe that we must insist on the need for the government leaders, within the scope of their specific duties, to communicate and talk more with the people and not neglect what the people think and feel.

It is true that sometimes certain officials who should not be present participate in the patrolling [patrullajes]. They are there only to steal the show, but those negative things are not a reason to remain in the offices for so long. We repeat that the retreat does not mean withdrawal from the people; on the contrary, the civilian government, should do better than the military government which was among the masses constantly. Let it not be said that those who wear suits and ties are afraid of the sun and rain. One must be with the people in order to know their true needs.

NEWSPAPER PUBLISHING COMPANY WORKERS DECLARE STRIKE

PA200215Y Panama City Televisora Nacional in Spanish 2315 GMT 19 Dec 78 PA

[Text] The management of Editora Renovacion, headed by Alberto Luis Tunon, has declared that the printers union members who work with this company declared an indefinite strike today in spite of the fact that Editora Renovacion had made every effort to prevent it. The printers union submitted a five-point list of demands, of which the company accepted four. The point in conflict was a 9-cent an hour wage increase. Tunon said that Editora Renovacion cannot meet this economic demand.

A Labor Ministry economists report made with the help of national bank auditors determined that the company is not in an economic position to meet the demand. Tunon said that Editora Renovacion also demonstrated with reports from the comptroller's office that the publisher's economic situation could not absorb the wage increase.

A workers assembly was held at the initiative of the company in which [Labor Minister] Oyden Ortega participated and other reasons were given for the company's rejection of the 9-cent wage increase. Editora Renovacion's manager said that last year the company increased the wages 5 cents per hour, without being obliged to do so, and that according to the existing labor contract, the company must negotiate a new contract with the union next year. In view of the foregoing and the company's refusal to grant the union's demand, the latter declared the strike.

Tunon said that Editora Renovacion had asked the workers to determine whether the majority supported a strike. The workers were allowed to vote freely, and the result was that 152 voted for the strike and 41 voted against it.

COSTA RICA

NICARAGUAN GUARDSMEN CAPTURED NEAR LOS CHILES

PA210301Y San Jose Radio Reloj in Spanish 0100 GMT 21 Dec 78 PA

[Report by Radio Reloj reporter William Cespedes--presumably recorded]

[Text] Here is a report on the capture of 13 [as heard] Nicaraguan guardsmen on Costa Rican territory. It is a patrol made up of Lt Jaime Lanuse and 12 privates who belong to the basic training school headed by Col Anastasio Somoza Portocarrero, better known as (Echewin). According to statements made by Jaime Lanuse, the patrol commander, they were on an inspection tour in pursuit of a group of Sandinists in the area of San Carlos. They were being guided by a 12-year-old boy identified as Lucio Perez Quintanilla, who said that he had gotten lost as he tried to guide them to Nicaraguan territory and, when they realize that they were lost, they were near the electric plant in Los Chiles. Another patrol member said they thought that they were on Nicaraguan territory at all times while closely following a large group of Sandinists whom they called subversive people against the Anastasio Somoza regime.

The Civil Guardsmen captured them at 1430 and immediately reported it to the Interior Ministry. The Interior Ministry then dispatched Col Edgar Gutierrez by plane. Colonel Gutierrez conducted the preliminary questioning. Later at approximately 1740, they were sent to the Interior Ministry's air section at the Juan Santamaria International Airport.

The 13 guardsmen are between 18 and 22 years of age. They are quite young and were [words indistinct] although the Civil Guard did not allow the newsmen to interview them. Some told how old they were and others gave their names. Lieutenant Lanuse only said that they were on a patrol mission.

The 13 National Guardsmen were taken to a room at the Interior Ministry's section at the airport, where national security agents conducted the first official questioning. Col Ramon Umana, general director of the Civil Guard, entered the room at that time.

Later, the National Guardsmen were transported in three Civil Guard vehicles to the capital, where they are now. The 13 National Guardsmen were carrying powerful M-16 machineguns. [as heard] Each machinegun can fire 400 rounds per minute. In addition, Lieutenant Lanuse was carrying a long-range Mauser rifle, apparently the type used by sharpshooters because, according to experts, those rifles can effectively reach a distance of up to 1,500 meters. However, it was said that the Mauser is one of the oldest type of weapons because it shoots one bullet at a time. They were also carrying machineguns. pardon me, one box of grenades and great quantities of ammunition. They were carrying bandoliers, with each bandolier containing 10 pouches. The bandoliers are the kind that soldiers wear around their waists. Each pouch contained a cartridge clip, which carries 10 bullets. This means that each soldier had 1,000 [as heard] bullets in addition to the machineguns, which were properly loaded. According to some military experts, this would allow them to remain in the mountains, engaged in regular combat, for up to 12 days. They also carried their canteens and enough food to last them for a long time.

They have not given much information and the Civil Guard has not allowed the press to talk to them extensively, despite the fact that it was the presidential palace and the Interior Ministry which summoned the newsmen to the Juan Santamaria International Airport to witness the arrival of the 13 Sandinists. [as heard]

This is how the situation presently stands. They are being questioned now. It is not known when a report on their testimony will be revealed, possibly tomorrow. What they were truly doing and why they were introduced [into Costa Rican territory] by Lucio Perez Quintanilla, a 12-year-old Nicaraguan child, will probably never be known. According to reports gathered by the authorities, Lucio Perez Quintanilla was often seen in Los Chiles. He would travel back and forth from Los Chiles to the Nicaraguan side. He served as a guide for the group of National Guardsmen that was captured today.

Guardsmen To Appear in Court

PA210235Y San Jose Radio Reloj in Spanish 0100 GMT 21 Dec 78 PA

[Text] San Jose--The 15 Nicaraguan National Guardsmen arrested today by members of the Costa Rican public forces will appear before a San Jose court tomorrow, Thursday, to render testimony.

According to a Costa Rican Civil Guard report, the Managua guardsmen were arrested without firing a shot in the area of Los Chiles, in Costa Rica, and were immediately transferred to San Jose.

They will spend the night in an unidentified police post and tomorrow they will render their testimony before court authorities.

The questioning will be witnessed by Francisca Fernandez, the Guatemalan ambassador in San Jose, who has represented Nicaraguan interests in Costa Rica since 21 November when San Jose broke diplomatic relations with the government of Gen Anastasio Somoza Debayle.

This afternoon, Foreign Minister Rafael Angel Calderon sent an urgent message to Alejandro Orfila, secretary general of the Organization of American States, requesting his presence at the questioning tomorrow.

It is desired that Alejandro Orfila or his personal representative be present when the government of President Rodrigo Carazo submits evidence of what is considered to be a new violation of Costa Rican territory by the Nicaraguan Army.

The captured guardsmen will be turned over to their government once they have rendered testimony to the judge, according to an announcement made by the Costa Rican Foreign Ministry. Therefore, their release could take place tomorrow or Friday at the latest.

CIVIL GUARDSMEN TO BE WITHDRAWN FROM NORTHERN BORDER

PA201918Y San Jose Radio Reloj in Spanish 1730 GMT 20 Dec 78 PA

[William Cespedes telephone report from La Cruz, Guanacaste]

[Excerpt] President Rodrigo Carazo went to the country's northern border this morning to assess the situation there. Carazo, who arrived at Liberia's Llano Grande airport at 0730, met with Civil Guard officers stationed in the area. He visited the El Paturin detachment and refugee camps in Liberia and La Cruz. He then met with some 350 Civil Guardsmen stationed in La Cruz, (?attended) a field mass and later announced that, beginning today, some 450 of the 650 Civil Guardmen who have been here for the last 3 months to guard the area will be sent home.

Carazo said that he came here in view of the approaching Christmas and New Year's holidays to show these public servants his solidarity with them and recognition of the work they have done.

14 GUERRILLAS TO BE DEPORTED TO PANAMA

PA201358Y San Jose Radio Reloj in Spanish 1200 GMT 20 Dec 78 PA

[Text] Reports that the Civil Guard maintains a strict watch at Liberia's hospital and that it is preventing anyone from being admitted to this hospital were denied today by Interior Minister Juan Jose Echeverria Brealey. He said that 17 guerrillas have been captured and that 14 of them will be deported to Panama today.

EL SALVADOR

INFORMATION SECRETARY ON FARN DEMANDS, KIDNAPED EXECUTIVES

PA210429Y Panama City ACAN in Spanish 0327 GMT 21 Dec 78 PA

[Excerpts] San Salvador, 20 Dec (ACAN-EFE)--Salvadoran President Gen Carlos Humberto Romero has not received any request thus far for an audience from the mediating commission involved in the negotiations between the families and companies of the four executives kidnaped here and the clandestine Armed Forces of National Resistance (FARN).

Col Rafael Flores Lima, information secretary of the presidency, told ACAN-EFE today that the group made up of San Salvador Archbishop Msgr Oscar Arnulfo Romero Y Galdemez; Ricardo J. Lopez, president of the Salvadoran Red Cross; and Roberto Lara Velado, of the Salvadoran Human Rights Commission, have not made such a request to the presidency.

The "resistance" demands the release of five political prisoners whom the government has said are not being held, the publication of a leftist manifesto in Salvadoran newspapers and a still undisclosed amount of money which unofficial sources say amounts to more than $4 million.

Flores Lima reiterated that the alleged prisoners are not in Salvadoran jails and that those charged with subversion are at the disposal of the corresponding courts.

He also said that the publication of extremist manifestos will definitely not be permitted in El Salvador and that the government's position on this is firm. He added that to do so would be a flagrant violation of the Defense and Guarantee of Public Order Law.

Yesterday, San Salvador's newspapers published blank pages and indicated that they were being sponsored by the Synthetics Industries of Central America, INSICA, the textile firm of joint Japanese and Salvadoran capital for which kidnaped executive Takakazu Suzuki worked. This is the second time in 1978 that one of its executives has been kidnaped.

The information secretary did not say whether President Romero would meet with the commission if it requests the audience announced publicly [as received] by Msgr Romero but he stressed that "it might occur."

It was learned today that the "resistance" has issued a deadline that ends at midnight tonight for the fulfillment of its demands. No source has confirmed this. The companies of the kidnaped executives--Phillips, the Bank of London and South America and INSICA--and their families have remained silent.

It has been learned that the security authorities have remained outside the cases and (?have not) investigated them since this was requested by the extremists. This report has also not been officially confirmed.

The president met with the high military command at the presidential house today. Although the subject of the meeting has not been disclosed, it is certain that the tonic of the kidnapings was the main point on the agenda.

NICARAGUA

NATIONAL GUARD COMMUNIQUE: PATROL STRAYED INTO COSTA RICA

PA210511Y Managua Domestic Service in Spanish 0442 GMT 21 Dec 78 PA

[Communique No 84 issued on 20 December 1978 by the Legal and Public Relations Office of the Nicaraguan National Guard--read by announcer]

[Text] The Legal and Public Relations Office of the Nicaraguan National Guard advises the people that at 1345 on 20 December, infantry 2d Lt Jaime Roberto Lanuse H., from the Rio San Juan departmental command of the National Guard, and 14 soldiers under his command were performing vigilance duty in the San Juan River sector of La Esperanza when he advised his unit by way of his portable radio that he had made contact with a Costa Rican Civil Guard patrol whose leader told him that he was on Costa Rican territory. He said that, heeding the statement made by the Costa Rican patrol's officer, he had decided to place himself in the custody of the Costa Rican authorities, thereby complying with the international legal norms which regulate these cases.

The National Guard deplores the inadvertent geographic error made by the officer and his patrol and affirms that orders have been issued to all border patrols not to cross, under any circumstances, into Costa Rican territory and not to fire on units of the Costa Rican Civil Guard as long as they are properly identified. Based on these reasons, the National Guard expects the prompt repatriation of all Nicaraguan National Guardsmen as well as the equipment which they carried.

[Signed] Aquiles Aranda Escobar, chief of the Legal and Public Relations Office of the National Guard

GOVERNMENT, FAO NEGOTIATORS RESUME TALKS ON PLEBISCITE

PA210059Y Managua Domestic Service in Spanish 2355 GMT 20 Dec 78 PA

[Text] Negotiators of the government and the Broad Opposition Front [FAO] today resumed their talks aimed at finding a democratic solution to the country's political crisis. During the most recent meetings, the FAO hindered or tried to hinder the meetings by refusing to participate in a national government if General Somoza wins the plebiscite. All this seems to indicate that the FAO elements have a sickly fear of the Sandino-communist terrorist cells that have been threatening us in different ways. Consequently, the FAO is refusing to participate in the national government out of fear of the terrorism.

FAO RESPONDS TO REMARKS ON LACK OF SUPPORT

PA210357Y Panama City ACAN in Spanish 0037 GMT 21 Dec 78 PA

[By Eduardo Romero]

[Excerpts] Managua, 20 Dec (ACAN-EFE)--The government and the opposition were getting ready tonight, amid the most marked pessimism since the beginning of the international mediation in the Nicaraguan crisis 2 months ago, to continue the talks in search of an agreement to hold a plebiscite.

The Liberal negotiators' argument that the Broad Opposition Front [FAO] lacks popular support has been answered by the opposition leaders, who noted that Somoza has not permitted the free democratic interplay of his opponents, so he is unaware of their strength.

According to the FAO, the Somoza government can measure the FAO's degree of representation by the effectiveness of the August strike, which the FAO estimates was one of the longest and most positive ever held in a Latin American country.

The negotiations, which are on the verge of failing because of charges and mutual attacks, are scheduled to resume tonight at the U.S. ambassador's residence after several sessions were held at the Dominican and Guatemalan embassies. Observers were surprised that the opposition agreed to meet at U.S. Ambassador Mauricio Solaun's residence.

In the presence of the mediators and the observers of the Superior Council of Private Enterprise (COSEP), the Somozists and the FAO will continue negotiating on the holding of a plebiscite which the opposition now does not consider an adequate means to solve Nicaragua's problem.

It has also been learned that the OAS mediators have made flight reservations to go to their respective countries on Friday. It is not known whether this trip will be to spend Christmas with their families or if it is a final trip, ending the mediation. Tonight's meeting might decide this.

LA PRENSA PESSIMISTIC ABOUT PEACEFUL SOLUTION

PA171200Y Panama City ACAN in Spanish 2130 GMT 16 Dec 78 PA

[Text] Managua, 16 Dec (ACAN-EFE)--Managua's opposition newspaper LA PRENSA states in an editorial today that President Jimmy Carter's statements to the effect that remarkable progress has been made in this country in the search for a peaceful solution to the Nicaraguan problem reveal an optimism which is out of proportion.

LA PRENSA adds that the Broad Opposition Front has accepted the holding of a plebiscite in Nicaragua to determine whether Somoza will stay in power but has added conditions and consequences [as received] which negate any possibility for the plebiscite to become a means for a peaceful solution.

The lifting of the state of siege, the political amnesty--which became a law of the republic today--and the possible annulment of the radio and television code are mentioned in the editorial as positive deeds. However, it goes on to say that house searches, arrests and offenses continue.

The opposition paper notes that what is most worrisome is the fact that the alleged remarkable progress in the search for a peaceful solution is being used to decrease the international pressure exerted on Somoza.

The worst thing, the editorial adds, is that the alleged progress is being manipulated so that other countries, Costa Rica in particular, will exert a tremendous amount of pressure on the Nicaraguan exiles and especially on the Sandinist National Liberation Front.

The editorial maintains that LA PRENSA is against the war, but notes that there can be no peaceful solution if the solution is being negotiated on the one hand while pressure is being exerted on the other, a pressure that will lead a very important component in that solution into a war.

Finally, LA PRENSA warns that it is too soon to speak of remarkable progress unless Somoza gives clear and practical evidence that the peaceful solution can be reached.

GROUP OF 12 DENIES SEEKING AMNESTY

PA201915Y Buenos Aires LATIN in Spanish 1650 GMT 20 Dec 78 PA

[Text] Mexico City, 20 Dec (LATIN)--The opposition Group of 12 has denied, through a Mexican newspaper, that it has sought to take advantage of the amnesty decreed in Nicaragua by Gen Anastasio Somoza Debayle's government.

In an "exclusive" communique "issued from Managua" and published by the morning paper EXCELSIOR, the Group of 12 also accused the diplomatic mediation commission before worldwide public opinion of "exerting pressure in Nicaragua to distort the principles which guide the opposition" to the Somozist government.

The "12" said: "We have left the Mexican Embassy in Managua in awareness of the risk that this entails to our lives." News reports published here said that seven members of the group had been in asylum in the Mexican Embassy until last weekend.

According to the communique, the group explained: "We are determined to face up to all dangers, even to the final consequences, because the political moment requires this."

"We could have obtained safeconducts and gone to Mexico, but we would have left a political vacuum and we have promised our people that we will face up to all situations in order to overthrow Somoza," said the document of the group which is struggling against Somoza's government.

U.S. MISSIONARIES FIRED UPON IN CHINANDEGA

PA201922Y San Jose Radio Reloj in Spanish 1730 GMT 20 Dec 78 PA

[Text] Six U.S. missionaries have been fired upon in Chinandega. One of them was wounded in the arm, which he may lose. His name is (Jerry Carl White). Two of the missionaries have disappeared. The attack was staged by persons in uniform, according to missionary (Edward Paul Duncan).

The U.S. council in Nicaragua is requesting A-negative blood to help one of his fellow countrymen.

U.S. DENOUNCED FOR HUMAN RIGHTS VIOLATIONS

PA210209Y Havana International Service in Spanish 2310 GMT 20 Dec 78 PA

["Our America" commentary]

[Text] The nation whose government claims to be champion in the defense of human rights in the world is the scene of open violations of these rights in many ways, especially concerning the treatment accorded the ethnic minorities, such as Indians, blacks, Chicanos, Puerto Ricans and others.

Such ethnic minorities, which are economically, racially and socially discriminated against in the United States, include a large percentage of people of Spanish-American descent, made up mainly of Puerto Ricans and Chicanos, the latter being U.S. citizens of Mexican descent and living symbols of the territorial stripping inflicted upon Mexico in the 19th century.

Official figures reveal that there are over 23 million citizens of Spanish-American descent residing in the United States. Of this number, 88 percent generally live in suburban areas and work, whenever they have the opportunity, where they are hired to do the work white Americans refuse to do and for which they are paid the lowest wages.

The average income for families of Latin American descent in the United States is only two-thirds that of the national average. The situation of wages is especially bad for 26 percent of Chicano families and 33 percent of Puerto Rican families, both groups having living standards much below what is considered the poverty level in that country.

Health services, which are quite expensive in the United States, are far beyond the economic reach of these minorities. The Chicanos, for example, have a higher possibility of dying from ailments such as tuberculosis, pneumonia, diabetes and others than do white citizens. The average life span for Chicanos is only 58 years, some 12 years less than that of the white population. The infant mortality rate among Chicanos is 33 percent higher than that of the white majority in the United States.

The Puerto Rican community is likewise discriminated against in the public health sector, which is growing more exclusive and expensive in the United States. For this reason the infant mortality rate among Puerto Ricans is one and one-half times greater than the U.S. general average and their life expectancy is lower by 10 years.

The dropout rate from school and illiteracy are likewise higher among the Spanish-American minorities, even when compared to the black population. This is caused by the fact that Spanish-speaking children are discriminated against because of their language. In some cases, they are referred to schools for the mentally retarded or are expelled from schools because they do not understand the English language.

In addition, the government of President Jimmy Carter decided this year to eliminate the bilingual schools that existed in some states of the union.

Beyond any statistics, it must be said that children belonging to the Puerto Rican, Chicano or any other Spanish-speaking community in the United States are practically forced in schools to be ashamed of their origin, their history, their language and behavior, and, in fact, of anything that is familiar and dear to them.

In the face of such realities in a dehumanized society the ethnic minorities of Spanish descent in the United States are rallying to strengthen their identity, to maintain their bonds with their respective fatherlands and to strive for their right to work, shelter, education, health services and a fuller life.

All the above are human rights which are not guaranteed to all who live in a country whose government, as we said arlier, claims to be champion in the defense of human rights in the world.

SOVIET MILITARY LEGAL OFFICER GREETED BY CASAS REGUEIRO

FL191228Y Havana Domestic Service in Spanish 1145 GMT 19 Dec 78 FL

[Text] Div Gen Senen Casas, member of the PCC Central Committee and Council of State and first vice minister-chief of the General Staff, yesterday received Col Gen Artem Gornyy, USSR deputy attorney general and chief military prosecutor of that fraternal country. Col Gen Gornyy arrived in our country on Sunday at the head of a delegation from the USSR military prosecutor's office, which is here in response to an invitation from the Revolutionary Armed Forces--Far--Ministry. Attending the meeting which took place in a fraternal atmosphere were the rest of the members of the visiting delegation; Lt Gen Sergey Krivoplyasov, chief of the Soviet military specialists working in Cuba; Col Juan Escalona, deputy chief of the General Staff; and Colonel of the Juridical Service Mario Albarello, deputy attorney general and principal military prosecutor.

Subsequent Activities

FL201259Y Havana Domestic Service in Spanish 1145 GMT 20 Dec 78 FL

[Text] Col Gen Artem Gornyy, chief military prosecutor of the Soviet Armed Forces, has laid floral wreaths at the tomb of Gen Antonio Maceo Grajales and at the mausoleum of the Soviet internationalist soldier.

After honoring the memory of the lieutenant general of the liberating army and of his aide Capt Francisco Gomez Toro at the Cacahual mausoleum, Col Gen Gornyy and his entourage were briefed on the most important deeds of the political and military life of Gen Antonio Maceo, which was given by Maj Alfredo Darna, of the Revolutionary Armed Forces--Far--Political Directorate.

Once the briefing was completed the chief military prosecutor of the USSR Armed Forces was interested in learning several details of our independence struggles. At the two solemn ceremonies the Soviet military prosecutor's delegation visiting us was accompanied by Lt Gen Sergey Krivoplyasov, chief of the Soviet Military specialists working in Cuba; Col Juan Escalona, deputy chief of the General Staff; and Colonel of the Juridical Service Mario Albarello, deputy attorney general and principal military prosecutor.

PUERTO RICAN DELEGATION MEETS WITH PINEIRO LOSADA

FL211129Y Havana Domestic Service in Spanish 1100 GMT 21 Dec 78 FL

[Text] Manuel Pineiro Losada, member of the PCC Central Committee and chief of its America Department, has received a delegation from the Puerto Rican Socialist Party headed by its secretary general, Juan Mari Bras. The meeting dealt with questions of relations between the two parties and Mari Bras described the present situation in his country and the development of the pro-independence struggle. The Puerto Rican delegation has been in Cuba since last Tuesday at the invitation of our party.

CARLOS RAFAEL RODRIGUEZ ARRIVES IN LISBON

FL201813Y Havana Domestic Service in Spanish 1800 GMT 20 Dec 78 FL

[Text] Carlos Rafael Rodriguez, member of the PCC Politburo and vice president of the Cuban Councils of State and Ministers, has arrived in Lisbon for an official 3-day visit to Portugal. The Cuban leader was invited by Portugal's Council of the Revolution and will hold talks with Prime Minister Mota Pinto and other officials of the Portuguese Government and Council of the Revolution.

FIDEL CASTRO MEETS WITH GUINEAN LEADER

FL201139Y Havana Domestic Service in Spanish 1100 GMT 20 Dec 78 FL

[Text] Yesterday afternoon Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and government, received (Lansana Diane), member of the Guinean Democratic Party Politburo, who had a personal message from Ahmed Sekou Toure, secretary general of the party and state and president of the People's Revolutionary Guinean Republic. The meeting at which Raul Valdes Vivo, member of the Central Committee Secretariat, also participated, was held in a fraternal atmosphere.

13TH FMC PLENUM BEGINS IN HAVANA

FL191943Y Havana Domestic Television Service in Spanish 1800 GMT 19 Dec 78 FL

[Text] The 13th national plenary session of the Federation of Cuban Women [FMC] began today at the organization's Fe del Valle national cadre school, with the participation of members of the secretariat, National Committee and Cooperation Council as well as provincial and municipal secretaries. During the plenum, which is expected to last several days, the work directives for 1979 will be discussed and approved.

Vilma Espin, member of the PCC Central Committee and FMC president, read the main report. Present at the meeting were other PCC Central Committee members, ministers and guests from Sri Lanka and Jamaica. [begin Espin recording] We must point out that we evaluate as positive the organizing efforts carried out during this period of time as well as the profound examinations conducted to that end. These efforts imply a great mass movement which, in recent years, has recorded a continued growth with a marked strengthening of the organization, the women's devotion to work and their awareness of the need and importance of our work. During 1978 we devoted our principal efforts to the battle for a sixth-grade education by developing continued and dynamic work, which had positive results, with a total of 42,792 FMC members graduating at that level. It is noteworthy that so far in this 5-year period, 120,947 housewives have graduated from sixth grade in regular school terms and special classes, which represents an outstanding contribution to the battle sponsored by the labor movement and at the same time makes it possible for tens of thousands of women to be prepared to continue to raise their level of education and start their technical training as soon as it becomes necessary. [end recording]

Espin Chairs Session

FL210030Y Havana Domestic Service in Spanish 0000 GMT 21 Dec 78 FL

[Text] Vilma Espin, member of the PCC Central Committee and president of the Federation of Cuban women (FMC), has chaired this afternoon's session of the 13th FMC national plenum. PCC Central Committee member Raul Valdes Vivo and officials of the FMC secretariat and national committee also attended the session.

During the morning session on this second working day of the plenum the delegates met in committees to examine and approve plans in different fields of FMC work. The 13th FMC national plenum is being held at the Fe del Valle FMC cadre school in Vedado.

BLAS ROCA PRESIDES OVER JUDICIAL AFFAIRS COMMITTEE

FL191437Y Havana Domestic Service in Spanish 1341 GMT 19 Dec 78 FL

[Graciela Hernandez report]

[Text] Blas Roca, member of the PCC Politburo and president of the National Assembly, has presided over the constitutional and juridical affairs committee which is headed by Dr Armando Torres Santrayll, minister of justice and deputy to the highest government organ. The meeting studied several draft bills on the penal code and on military crimes. They will be submitted to the assembly members for their consideration.

As is known, the people's government National Assembly has been officially called on to hold its second regular session for the present year on 28, 29 and 30 December at Karl Marx theater in this capital. Things to be discussed include the single economic and social development plan for the state for 1979, the budget for next year and the establishment of municipal museums.

RSFSR TRANSPORTATION MINISTER ARRIVES IN HAVANA

FL181411Y Havana Domestic Service in Spanish 1316 GMT 18 Dec 78 FL

[Text] Yevgeniy Trubitsyn, minister of the motor industry of the RSFSR, has arrived in our capital in response to an invitation from Cuban Transportation Minister Antoni Enrique Lusson. Transportation Vice Ministers Graciel Hernandez and Manuel Alepuz headed the Cuban delegation which welcomed the Soviet minister and his entourage.

Meets With Minister Lusson

FL191918Y Havana Domestic Television Service in Spanish 1800 GMT 19 Dec 78 FL

[Text] Antonio Enrique Lusson, member of the PCC Central Committee and minister of transportation, has received Yevgeniy Trubitsyn, minister of the motor industry of the RSFSR, at his offices in the ministry. In an atmosphere of cordial friendship, the two leaders exchanged viewpoints in connection with automotive transportation problems and its future and expressed their desire for cooperation in that sphere.

LEZCANO CLOSES NATIONAL CDR SEMINAR WITH REMARKS

FL152147Y Havana Domestic Service in Spanish 1911 GMT 15 Dec 78 FL

[Xiomara Vina report]

[Text] Jorge Lezcano, member of the PCC Central Committee and national coordinator of the Committees for the Defense of the Revolution [CDR], has made the closing remarks at the national CDR seminar, which met for 4 days at the Plaza Hotel in Havana City. In his remarks Lezcano reiterated that the CDR national directorate believed this seminar to be important because it has benefited ideological, propaganda, education, culture and sports work.

He said that this year the tasks completed by the CDR have been very fruitful because all goals were accomplished at a level of quality above that of earlier years. The CDR national coordinator stated that we still should not be satisfied with the results obtained, because we have to convince ourselves that we can do more and better because the organization has to struggle so as not to fall into routines and to set priorities in tasks of political and ideological work.

8TH ANNIVERSARY OF WESTERN ARMY COMMEMORATED

FL191301Y Havana Domestic Service in Spanish 1145 GMT 19 Dec 78 FL

[Text] The event commemorating the eighth anniversary of the Western Army was held yesterday and presided over by Brig Gen Orlando Rodriguez Puerta, member of the PCC Central Committee and chief of the general staff of this command. Speaking at the event was Lt Col Juan Luis Charon Duarte, deputy chief of the political section. In making the closing remarks at the event, he referred to the achievements made by the Western Army over these years and pointed out the work done by the PCC and the Union of Young Communists. He added that this year positive steps have been taken in combat equipment and weaponry work, and that greater tasks have been accomplished in technical protection in training and in care and maintenance. He said that 1979 will be a year of hard work and that it will be necessary to make great efforts to obtain the proposed results and objectives. And he added:

[Begin Charon Duarte recording] It is undeniable that we have arrived at this eighth anniversary with happiness and satisfaction at having compiled with our duties at this glorious stage of our revolution, above all in completing the 20 years of the triumph [of the revolution]. This commemoration should be a starting point to continue advancing on the path of the triumph with the spirit and faith in the future which has been shown to us by our Commander in Chief Fidel. This should serve us in looking ahead to see what still remains to be done to advance and to maintain the level demanded by our missions and our Revolutionary Armed Forces level of development. [end recording]

BLAS ROCA RECEIVES ARGENTINE COMMUNIST LEADER

FL211122Y Havana Domestic Service in Spanish 1100 GMT 21 Dec 78 FL

[Text] Blas Roca Calderio, member of the PCC Politburo and president of the people's government National Assembly, has welcomed Geronimo Arendo Alvarez, secretary general of the Argentine Communist Party, at the airport in this capital. Arendo Alvarez and Pedro (Taglioli), member of that party's Politburo, are part of the Argentine Communist Party delegation which has been invited to the festivities commemorating the 20th anniversary of the triumph of the revolution.

COOPERATION TALKS BEGIN WITH VIETNAMESE DELEGATION

FL201842Y Havana Domestic Service in Spanish 1832 GMT 20 Dec 78 FL

[Text] The first working session of the third meeting of the intergovernmental commission for economic, scientific and technical cooperation for 1979 between Cuba and the Socialist Republic of Vietnam [SRV] opened this morning in Havana City.

Sergio del Valle Jimenez, member of the PCC Politburo and minister of interior, heads the Cuban delegation which includes, among other officials, Cuban Ambassador to Vietnam Melba Hernandez.

Do Muoi, candidate member of the Vietnamese Communist Party Politburo and vice premier of the government, heads the SRV delegation which includes Nghiem Xuan Yem, minister of agriculture [as heard] and chief of Agriculture Ministry scientific affairs; and Vietnamese Ambassador to Cuba Nguyen Huu Ngo.

The economic, scientific and technical cooperation agreement resulting from this meeting will be signed in Havana on 23 December.

SANTOS MEETS WITH VIETNAMESE VICE PREMIER

FL210019Y Havana Domestic Service in Spanish 0000 GMT 21 Dec 78 FL

[Text] Asela de los Santos, member of the PCC Central Committee and minister of education, this afternoon met with Do Muoi, candidate member of the Vietnamese Communist Party Politburo and vice premier of that country. The Vietnamese leader is in Cuba heading a delegation that is participating in the third cooperation meeting between the two countries.

Matters of mutual interest concerning the relations of friendship and cooperation between Cuba and Vietnam were discussed at the fraternal meeting. Vietnamese Agriculture Minister [as heard] Nghiem Xuan Yem; Manuel Torres, vice president of the Cuban State Committee for Economic Cooperation; and (Tran Hu Soai), Vietnamese counselor-charge d'affaires in Cuba, attended the meeting.

CULTURAL AGREEMENT SIGNED WITH GDR

FL181651Y Havana Domestic Service in Spanish 1624 GMT 18 Dec 78 FL

[Text] Cuba and the GDR today have signed a cooperation agreement in the cultural field which, among other things, provides for a GDR week in Havana next year. The document, which was signed by Vice Ministers Adolfo Vazquez Cuadrado and Wilfried Maass, also provides for Cuba week in the GDR. The document also calls for broadening cooperation in the various cultural fields of the two countries, such as in music, movies, museology, plastic arts, literature, book publishing and numismatics. The protocol signed between Cuba and the GDR stresses that at the heart of the agreement are the festivities to commemorate the 20th anniversary of the triumph of the Cuban revolution and the 30th anniversary of the establishment of the GDR.

NATIONAL REVOLUTIONARY POLICE MEETING ENDS

FL201419Y Havana Domestic Service in Spanish 1352 GMT 20 Dec 78 FL

[Text] Brig Gen Enio Leyva Fuentes, vice minister of the interior, has made the closing remarks at the annual national meeting of National Revolutionary Police--PNR--chiefs which met for 5 days in this capital. They examined the work carried out this year and the prospects of work next year for the PNR chiefs at all levels. In his remarks the interior vice minister pointed out that there was a decrease in the most serious crimes and an increase in PNR operations, which represents a notable advance. He added that we cannot feel satisfied because we are not willing to let things stand as they are. Brig Gen Enio Leyva described the present situation which has resulted from 20 years of work by the PNR and added that the undying recollection of the fallen combatants is the most precious encouragement of our spirit of work and struggle.

BARBADOS

ADAMS SAYS NATION WILL NOT YIELD TO 'PIRATES'

FL202100Y Bridgetown SUNDAY ADVOCATE-NEWS in English 17 Dec 78 p 1 FL

[Text] Barbados' prime minister, Mr Tom Adams, last night said that his government would not bend to blackmail threats from international bandits as he told the nation of a reported plot to overthrow his two-year-old government.

In an address to the nation on radio and television, Mr Adams said that Barbadian gun runner Sydney Burnett-Alleyne and two international bandits had hatched a plot to invade the island.

He said that two weeks ago when he was overseas he received information that Mr Alleyne was working in association with a Mr John Banks, whom Mr Adams described as one of the most notorious and dangerous of mercenary leaders who have plagued newly independent countries.

After the matter was investigated, Mr Adams said that he had sufficient corroborative evidence to be convinced that Banks was involved in activity hostile to Barbados.

Later development brought in the name of Robert Denard, a French mercenary who earlier this year destroyed the peace of a small group of islands off the coast of Africa.

Mr Adams also said that Mr Denard was last week reported to have visited Antigua in connection with the conspiracy.

He noted that Denard was employed by opposition forces in the Comoro Islands earlier to carry out a coup and that the mercenaries stayed on after the coup.

Mr Adams said that on his return home he informed the British high commissioner, the American and French ambassadors and "representatives of other friendly powers." The local security forces were placed on a state of readiness, he said.

"Steps were also taken to obtain such assistance as might be needed to safeguard the peace and security of the country," Mr Adams said adding that he had no doubt that with the support of friendly countries any interference by international bandits could be dealt with.

Mr Adams noted that from latest information the threat could not be disregarded as a serious one but that any publicity about an invasion could destroy the confidence on which the economy needs to prosper.

He noted that in a few days' time the island will welcome its 300,000th tourist for the first time in a year.

The publicity could damage the confidence of the investors as well, he added.

Mr Adams also noted that part of the strategy might be blackmail and said that Banks had attracted large sums of money from government of a Third World country by threatening it with a coup.

"But the Government of Barbados has no intention of being intimidated by 20th century pirates. It is not the first time during our two years in office that such plots have been hatched or reported," he said.

He also noted that such persons as those allegedly involved in the plot would have some belief that they could get some measure of local support.

Mr Adams urged "any Barbadian who sincerely has the interest of this country at heart and who is approached by Sidney Alleyne to communicate immediately with the security forces. And I appeal to all who may have had contact with this man to turn their backs on him and on all the danger he represents to Barbados."

"I am confident that we in this island, with our reputation for level-headedness and good sense, will be able to put these threats and conspiracies behind us and strive to preserve that same peace and tranquillity on which we depend for our country's prosperity," Mr Adams said.

Media Praised

FL202105Y Bridgetown SUNDAY ADVOCATE-NEWS in English 17 Dec 78 p 1 FL

[Text] Prime Minister Mr Tom Adams last night praised the heads of media organisations, the Barbados high commissioner to England, Mr "Monty" Williams, and the consul-general to New York, Mr Clyde Griffith, for their handling of information about an alleged plot by mercenaries to invade the island.

Mr Adams was addressing the nation on a report in the DAILY MAIL in England which said that 350 mercenaries were preparing to invade the island and overthrow the government.

Mr Adams described the report as "bewildering to many people in and out of Barbados."

Mr Adams noted that probably behind the plot was intended blackmail or extortion and also that any adverse publicity of the invasion could have harmed the island's frail economy.

"A well-publicised report of an invasion of Barbados by 350 mercenaries could easily be one way of attempting to undermine the economic performance of our country, thus dragging the whole nation down from an attempt to destroy the government," he said.

He noted that the organisers of the plot might be intent to prey on the key element of fear by using the mass media for misinformation to create confusion.

"And I wish here to express my thanks to the managers and editors of the media in Barbados. Earlier this week the government took them into its confidence on this matter and they have behaved responsibly, protecting the island from adverse publicity and, more importantly, averting the situation which might have created panic in the island.

Mr Adams also said that he would like to thank Mr Williams and Mr Griffith for their continuing devotion to duty.

DOMINICA

JOHN BELIEVED SEEKING FINANCIAL ASSISTANCE FOR COUNTRY

FL151635Y Bridgetown ADVOCATE-NEWS in English 11 Dec 78 p 1 FL

[Text] Roseau, Dominica, Sunday (CANA)--Dominica's prime minister, Mr Patrick John, has left the island on an unannounced trip abroad, informed sources said here yesterday.

The sources added that the prime minister is heading a party of six and they will visit Barbados, Britain and Spain.

There were no other details available, but the sources believed that the government mission was pursuing postindependence financial assistance for Dominica's development.

The unofficial confirmation that Mr John had in fact left the island came as reporters followed up a comment in yesterday's "CHRONICLE" newspaper headlined "Secret Mission."

Declaring that Mr John had left on a secret mission, the paper said this was the pattern established since before independence (last November 3).

It claimed that the previous trips had resulted in no visible benefits to the country.

The CHRONICLE added that on the return home "little effort is made to justify the expenditure of public funds on those frequent journeys in foreign lands."

Time and again the public had shown their concern over such trips, the paper remarked, and it went on to speak of the subsistence paid to ministers and civil servants on such journeys.

Travelling was necessary by government ministers if the country hoped to attract foreign investors, the paper added, but it wondered why so many people needed to go.

NATION: AID BEING SOUGHT IN SOUTH AFRICA

FL201530Y Kingston DAILY GLEANER in English 16 Dec 78 p 15 FL

[Text] Bridgetown, 15 Dec (CANA)--The Caribbean's newest nation, Dominica, has turned to the South African Government for developmental assistance, the bi-weekly newspaper NATION said today.

"The London-based high commissioner for Dominica, Mr Arden Shillingford, has met with officials of the South African Government there with a view to getting financial assistance for the newly-independent Commonwealth of Dominica," the NATION said.

"NATION" recently ran a front-page story dealing with alleged efforts by Dominica to raise a multi-million dollar aid package in London.

The paper said that at the centre of the efforts was a Barbados-born gun-runner, Sydney Burnett-Alleyne.

"It has been confirmed that not only has the Dominica Government's representatives been in touch with Alleyne on a money deal for the island, but they have sought similar accommodation with the racist South African regime," the NATION said.

JAMAICA

WORKERS' PARTY OF JAMAICA PROGRAM OUTLINED

FL201545Y Kingston DAILY GLEANER in English 18 Dec 78 p 2 FL

[Text] A second communist party was launched in Jamaica yesterday when U.W.I. [University of the West Indies] Senior Lecturer Dr Trevor Munroe's Workers' Liberation League became the Workers' Party of Jamaica [WPJ]. The first communist party was launched in August 1975.

Declaring that "we are communists; we are ready and willing to go the full way in trying to liberate our workers from imperialism," Dr Munroe spelt out to his packed Regal Cinema audience the policy of the new organization. Dr Munroe spoke for almost two hours.

In order to qualify for membership, Dr Munroe said, workers would have to be "serious people who are serious about joining the communist party and about becoming a part of the communist movement in the world."

Dr Munroe said that everyone who joined the party must work for the party and each one would have to have his "little book" and study that book carefully in order to know himself.

He told the audience: "We want to be sure that when the imperialists attack us our comrades will stand up firmer than before as communists who never run, as communists who never bow before the imperialists."

In order to become a member one would not only have to study the little book but he would have to train oneself in practical work with discipline and willingness to sacrifice, he said.

Earlier, Dr Munroe, who welcomed delegates from the communist parties in the Soviet Union, Cuba, Uruguay, the Caribbean, Canada, Britain, the USA, Guyana, Grenada, St Lucia and St Vincent, said that the Workers' Party was being launched forty years after the pioneers of communism in Jamaica, Hugh Buchanan and Richard Hart, introduced the idea.

A Movement

He was proud to declare that communism was not any more an idea in Jamaica, "but a movement defended by the working people of Jamaica." This, he said, was testimony not only to the efforts of the workers of Jamaica, but also to the development of communism worldwide.

In an attack on what he called the "imperialist forces," Dr Munroe said that the present mass lay-off of skilled workers, the land-hunger among farmers in the rural areas and other problems in the society had resulted from the conditions imposed upon the country by the International Monetary Fund and by the tactics of American imperialism.

Dr Munroe said that the American imperialism which was seeking to strangle progress in Jamaica "is the same American imperialism that is backing the racist regime of South Africa; is the same American imperialism that tried to strangle the baby of Angola; and that same imperialism will one day be buried deep beneath the oceans of the world."

Dr Munroe said that between 1975 and 1976 American imperialism "used the tactics of the CIA against us here in Jamaica."

Setting out the WPJ's stand in relation to the government, Dr Munroe said it supported the government in a number of actions which the government had taken; and the party had decided at its earlier session to maintain a policy of critical support for the government.

Too Soft

The WPJ criticized the government, however, when according to him, it backed down from defending the working people and for being too soft on what he called the supermarket "sharks," who hoard and marry goods, and hide them from the people. [paragraph continues]

The WPJ had also criticized the government for being too soft on the capitalists who are closing down businesses and laying off workers.

"We also criticize them for being too soft on the colonialist elements inside the police force and inside the army.

"We criticize them for being too soft on the propagandists in the GLEANER who write lie after lie after lie.

"We criticize them when they are too soft on the bureaucratic civil servants in the service; we criticize them when they are too soft on people like Reynolds Bauxite Mines; when they are too soft on those ministers who are friending up with the capitalists and who forget that it is the people and not the capitalists who put them into power."

He said there were voices within the country and within the PNP government who were pushing the prime minister to "leave the road on the left and to stand up in the middle of the road." He warned of what could happen when one stood in the middle of the road and of the possibility of being "licked from both sides."

Big People

Speaking of the WPJ's stance in relation to the JLP [Jamaica Labour Party] opposition, Dr Munroe said, "we can never do anything to build up Edward Seaga and the class he defends, because the class he defends is the class of big people."

He spoke of Mr Seaga and the IMF, adding that the WPJ had to criticize and expose "those who are promoting this agent of imperialism."

Dr Munroe declared that the WPJ would work to "build the communist party of Jamaica, step by step." He recognised that none of the goals towards which the party had set its sights would be easily achieved. He went on: "We are communists, we are ready and willing to go the full way in trying to liberate our workers from imperialism...we are going to make sure that ship stays afloat and remains united against imperialism."

He was introduced by the chairman of the public session, Mr John Haughton, secretary of the National Union of Democratic Teachers.

Greetings were extended by the overseas delegations.

The representative of the Soviet Union Communist Party, who is director of the Institute of Marxism-Leninism, Mr Miran Petrovitch Ntchedlov, presented to Dr Munroe a bust of Lenin, which was a gift from the Communist Party of the Soviet Union to the Workers' Party of Jamaica.

ONE-PERCENT DEVALUATION OF DOLLAR ANNOUNCED

FL191445Y Kingston DAILY GLEANER in English 15 Dec 78 p 1 FL

[Text] The Jamaican dollar has been devalued by a further one percent. As of midnight last night, J$1 was equal to US $0.589983, a release from the Bank of Jamaica said.

The release continued: "This rate, which corresponds to the rate of US $1.00 being equal to J$1.694963 represents a further depreciation of one percent in the external value of the Jamaica dollar.

"With effect from Friday, December 15, 1978, the basic annual travel allowance will be increased to J$96 per person."

BURNHAM TELLS PEOPLE THEY 'HAVE A CROSS TO BEAR'

FL191435Y Bridgetown ADVOCATE-NEWS in English 14 Dec 78 p 14 FL

[Text] Georgetown, Guyana, 13 Dec (CANA)--Prime Minister Forbes Burnham has told Guyanese that they all have a cross to bear and the nation needs to persevere a little more if it is to get out of current economic difficulties.

"Must Burnham bear the cross alone and all the world go free? No. There is a cross for everyone and you must bear your cross," he told the twenty-sixth anniversary gathering of the Guyana Police Association, Monday.

Mr Burnham also lamented the falling prices of his country's exports, coupled with soaring costs for imported goods.

While the government was attempting to modernise the economy to protect it from the whims and caprices of others outside who fixed the prices for its exports, he added, the country's imports were also fixed at "quite un-Christian" prices.

Chance "in many cases, it seems as if we don't have a chance," he declared.

The Guyanese leader, however, expressed confidence in the intellectual capacity of his countrymen, and in the "mental tools" which they have.

"But very frequently I think we lack the psychological endowment. I think this is the main quality which we lack," he added.

According to him, the fault for low production lay with Guyanese themselves.

"We seem to lack that something that says, let us persevere a little more, let us use a little more of the mind we have in common with others," he said.

Many persons seemed to be of the view that the problems facing Guyana were the problems of the government, but this was inaccurate because it was a crisis of the nation.

Solutions

Every Guyanese must therefore make a contribution towards finding solutions.

"When the problems are solved, not only the government but all Guyanese will benefit," Mr Burnham said.

He said efforts were being made to modernise the economy with attention focused especially at the sugar and rice industries.

In sugar, a factory was set up to produce vinegar from molasses, another to produce yeast for both human and animal consumption.

In rice, the government was looking around for a factory to produce paper from straw and husks, while the German Democratic Republic had supplied a plant to produce oil from bran, he said.

INTER-AMERICAN AFFAIRS

CARICOM MINISTERS PLAN AIR TRANSPORT CORPORATION

FL191800Y Georgetown Guyana CHRONICLE in English 13 Dec 78 p 20 FL

[Text] Plans for the setting up of a regional air transport corporation are going before the standing committee of CARICOM ministers responsible for transportation, which meets at the CARICOM Secretariat here tomorrow and Friday. The ministers will be considering a draft agreement for the setting up of such a corporation, according to a release from the secretariat.

Among other civil aviation matters going before the ministers are issues regarding the comparative study of current national laws, regulations, procedures and practices in that area and the establishment of the Liat airline, linking the lesser developed countries with the rest of the Caribbean, as a regional institution. The secretariat also said that the meeting will consider a proposed "re-allocation of European development fund resources to a project for the refurbishment of Liat."

The standing committee is an institution of CARICOM which meets regularly to decide upon matters affecting shipping and air transport in the region.

On shipping, the committee is to look at the status of the agreement setting up the West Indies Shipping Corporation (WISCO), revised estimates of revenue and expenditures for 1978, estimates of revenue and expenditure for 1979 and WISCO's development program. The ministers will also be looking at maritime matters dealing with training, legislation and safety, cooperation in economic development, in technical assistance, in transportation, a draft model maritime code and a report on the carriage of goods by sea.

On Monday and yesterday, the CARICOM working party on maritime training met at the secretariat and officials are meeting at the same venue today to prepare for the ministerial sessions.

Guyana's minister responsible for transportation, Cde. Steve Naraine, is expected to head this country's delegation to the talks.

The secretariat has said that all CARICOM member countries are expected to take part in the sessions. There are also observers from other associate institutions including Liat, the international organisations of the United Nations Economic Commission for Latin America (ECLA) and the Caribbean office of the International Labour Organisation (ILO).

DOMINICAN REPUBLIC

POLICE CHIEF REFUTES REPORT OF RIGHTIST PLOT

FL202224Y Santo Domingo Domestic Service in Spanish 2200 GMT 20 Dec 78 FL

[Text] The police chief today ruled out the existence of a rightist plan to destabilize the government of President Antonio Guzman Fernandez. Maj Gen Virgilio Payano Rojas made the statement in connection with a charge made by the Dominican Communist Party on the existence of a rightist plan designed to destabilize the government of all Dominicans. The police chief also denied that a plan reportedly to kidnap a top government official had been frustrated. Major General Payano Rojas said that the police never had any knowledge of such action.